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IUB order addresses COVID-19 impacts to utilities; authorizes regulatory tracking accounts

IUB order establishes additional moratorium reporting

(Des Moines) – Iowa Governor Kim Reynolds issued a statewide disaster proclamation of public health emergency on March 9, 2020, due to the global novel coronavirus (COVID-19) pandemic.

In response to the March 9, 2020 proclamation, the Iowa Utilities Board (IUB) issued an order on March 13, 2020, extending the winter moratorium for eligible electric and natural gas customers from April 1, 2020, to May 1, 2020. This extension prevented disconnection of eligible customers until after May 1, 2020. The IUB issued an additional order on March 27, 2020, extending the moratorium until such a time as Gov. Reynolds disaster proclamation is lifted.

Today's <u>IUB order</u> is another step in a series of actions by the IUB to provide assistance to customers and utilities and to aid in Iowa's recovery. Through its prior orders, the IUB has restricted the disconnection of utility customers. As such restrictions on disconnection come to an end, coordination is needed among the IUB, utilities, and partner agencies to minimize ramifications while assuring both safe, reliable service to customers and just and reasonable compensation to the utilities.

The order finds the use of regulatory accounts by rate-regulated utilities is appropriate for the tracking of financial impacts arising after March 1, 2020, from the COVID-19 pandemic. The order requires the following:

- Opening of separate dockets for each rate-regulated utility to file information regarding these accounts.
- Require each rate-regulated utility to file a proposal for the use of regulatory accounts to be submitted for review by the IUB.

The IUB also finds in light of the expansion of the current disconnection moratorium and the additional economic impacts noted above, additional information is needed from Iowa utilities. The IUB has directed the utilities to file updates in regard to specific disconnection and payment plan information for residential, commercial, and industrial customers starting May 15, 2020, through April 15, 2021, as follows:

 All reporting categories separated by residential, commercial, and industrial customer classes in addition to the totals reported for all classes.

- The number of customers disconnected by customer class.
- The number of customers involuntarily disconnected that were eligible for energy assistance.
- The number of customers that entered into initial payment agreements, the average duration of the payment agreement, and the average monthly payment.
- The number of customers that entered into second payment agreements, the average duration of the second payment agreements, and the average monthly payment.
- The number of customers who entered into payment agreements not required by Board rules, the average duration of those payment agreements, and the average monthly payment.
- Revenue owed by class that are 30, 60, 90 or more than 90 days in arrears.

The IUB also requests through September 4, 2020, that all municipal electric, natural gas and water utilities, rural electric cooperatives and rural water association provide the following information to the IUB every two weeks:

- The number of utility customer accounts which are currently in arrears and the total amount in arrears for each class type.
- Whether those accounts are 30, 60, 90, or more than 90 days in arrears, specifying the number of such accounts and dollar amount of arrears for each of the customer classes of residential, commercial, and industrial.
- Include revenue loss, expenses, and other financial impacts due to the COVID-19 pandemic.

Dependent upon the rate-regulated utilities evolving workforce availability and access to homes and offices, parties may need to seek waivers from the IUB to delay required regulatory actions. The IUB continues to monitor conditions to determine when such extensions or waivers may be appropriate.

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The lowa Utilities Board regulates utilities to ensure that reasonably priced, reliable, environmentally responsible, and safe utility services are available to all lowans.

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